

UNITED STATES DISTRICT COURT

DISTRICT OF CONNECTICUT

NEW COLT HOLDING CORP., *et al.*, :
Plaintiffs, :
 :
-vs- : Civil No. 3:02CV173(PCD)
 :
RJG HOLDINGS OF FLORIDA, INC., and :
AWA INTERNATIONAL, INC., :
Defendants. :

RULINGS ON DEFENDANTS' MOTIONS FOR PARTIAL SUMMARY JUDGMENT

Defendants¹ move for partial summary judgment on Counts One, Two and Seven of plaintiffs' first amended complaint. For the reasons set forth herein, Defendants' motions are granted in part.

I. FACTS

Plaintiffs, New Colt Holding Corp. and Colt's Manufacturing Co., Inc., design, manufacture, distribute and sell firearms, including a (Model 1873) first manufactured by Plaintiffs in 1872, known as the Peacemaker or single-action Army revolver. The shape and appearance of the revolver is claimed to be unique, including the "rampant colt" emblazoned on the grips.²

¹ Defendant RJG Holdings of Florida adopted the arguments of defendant AWA international, Inc. See RJG'S Motion for Partial Summary Judgment (Doc. No. 70). The two are therefore collectively referred to as "defendants".

² Plaintiffs specifically allege the following as distinctive features of its Peacemaker revolver: (1) "the shape, style, composition and finish of the grip frame", (2) "the angle of the grip frame in relation to the frame and barrel", (3) "the shape, style composition and finish of the trigger and trigger guard", (4) "the angle or slant of the trigger guard in relation to the frame and barrel", (5) "the shape, style, composition and color of the grip panels, including the rampant colt and eagle emblazoned on the sides", (6) "the shape and style of the front sight", (7) "the shape and style of the rear sight", (8) "the shape, style and finish of the checkered hammer", (9) "the shape, style and finish of the color case hardened frame", (10) "the shape, length, style and finish of the steel barrel", (11) "the shape, style and finish of the steel cylinder", (12) "the shape, style and finish of the cylinder pin" and (13) "the shape, style and finish of the ejector rod and ejector rod housing." Complaint ¶ 44.

Defendants, AWA International, Inc. and RJG Holdings of Florida, Inc., also manufacture, distribute and sell firearms, including the AWA Peacekeeper and Longhorn revolvers at issue which include a “galloping colt” on the grips. The barrels of defendants’ revolvers are marked with “American Western Arms” and the respective model name.

Plaintiffs filed the present eight-count complaint alleging, *inter alia*, trade dress infringement in violation of section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (“Count One”), trade dress dilution in violation of section 43(c) of the Lanham Act, 15 U.S.C. § 1125(c) (“Count Two”), and unfair competition in violation of section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (“Count Seven”).

II. DISCUSSION

Defendants move for summary judgment on Counts One, Two and Seven. Each Count will be discussed in turn.

A. Standard

A party moving for summary judgment must establish that there are no genuine issues of material fact in dispute and that it is entitled to judgment as a matter of law. FED. R. CIV. P. 56(c); *Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 248 (1986). In determining whether a genuine issue has been raised, all ambiguities are resolved and all reasonable inferences are drawn against the moving party. *United States v. Diebold, Inc.*, 369 U.S. 654, 655 (1962); *Quinn v. Syracuse Model Neighborhood Corp.*, 613 F.2d 438, 445 (2d Cir. 1980). Summary judgment is proper when reasonable minds could not differ as to the import of evidence. *Bryant v. Maffucci*, 923 F.2d 979, 982 (2d Cir. 1991). Determinations as to the weight to accord evidence or credibility assessments of witnesses are improper on a motion for summary judgment as such are within the sole province of the

jury. *Hayes v. N.Y. City Dep't of Corr.*, 84 F.3d 614, 619 (2d Cir. 1996).

B. Count One: Trade Dress Infringement

Defendants argue that the placement of a label identifying the revolver as a product of “American Western Arms” precludes a finding that trade dress similarities resulted in customer confusion. Plaintiffs respond that the use of labels is not dispositive of a claim of trade dress infringement, and an assessment of all relevant considerations including the label precludes summary judgment on Count One.

A product’s trade dress “encompasses the design and appearance of the product together with all the elements making up the overall image that serves to identify the product presented to the consumer . . . includ[ing] the appearance of labels, wrappers and containers used in packaging [the] product.” *Nora Beverages, Inc. v. Perrier Group of Am. Inc.*, 164 F.3d 736, 743 (2d Cir. 1998) (internal quotation marks omitted). Trade dress is considered protected under the Lanham Act when it (1) has an “acquired distinctiveness” or “secondary meaning” that identifies the source of the product rather than the product itself and (2) is non-functional. *Id.* at 742. If the trade dress is protectable, plaintiff will prevail on a claim of infringement only if it can establish that a likelihood of confusion exists in the minds of consumers between its trade dress and the defendant’s trade dress. *See id.*; 15 U.S.C. § 1125(a)(1). Defendants limit their motions to the question of whether their trade dress likely causes confusion in the minds of consumers, thus the trade dress is presumed protectable for purposes of this ruling.³

³ Defendants’ argument centers on the issue of likelihood of confusion and they discuss elements relevant to determining whether trade dress is protectable only in passing and without reference to whether plaintiffs have carried their burden in this regard. As such, the reference is construed only as legal background.

The starting point for a determination of whether trade dress similarities are likely to cause confusion necessarily entails a review of the factors set forth in *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961). *Nora Beverages, Inc. v. Perrier Group of America, Inc.*, 269 F.3d 114, 119 (2d Cir. 2001). These factors include (1) the strength of the mark, (2) similarity of the marks, (3) proximity of the products, (4) actual confusion, (5) good faith in adopting the mark, (6) quality of products, (7) sophistication of the consumer and (8) an aggregate assessment. *Patsy's Brand, Inc. v. I.O.B. Realty, Inc.*, 317 F.3d 209, 217-19 (2d Cir. 2003). Consideration of these factors is not a mechanical process, and determinations should be made based on the totality of the product with an eye toward the ultimate question of whether consumers are likely to be confused. *Nora Beverages, Inc.*, 269 F.3d at 119.

Defendants' argument overlooks the totality of the product assessment required by the eight *Polaroid* factors and instead seeks to limit the significance of such an assessment when a product has a label. Although "[l]abels can be integral, if not dispositive factors in determining overall similarity of trade dress," *see id.* at 122, any feature that stands in stark contrast to other product features would be similarly dispositive in distinguishing the trade dress on products in a side-by-side comparison. The cases cited by defendants as requiring that dispositive weight be accorded the use of a label illustrate only the fact-specific nature of the likelihood of confusion analysis. Each infringement scenario is to be resolved on a case-by-case basis, and in any scenario "[a]lthough no one factor is necessarily dispositive, any one factor may prove to be so," *Nora Beverages, Inc.*, 269 F.3d at 119. "[T]he question is not how many points of similarity exist between the two packages but rather whether the two trade dresses create the same general overall impression." *Bristol-Myers Squibb Co. v. McNeil-*

P.P.C., Inc., 973 F.2d 1033, 1046 (2d Cir. 1992) (internal quotation marks omitted). In assessing overall impressions of products, “[t]he presence and prominence of markings tending to dispel confusion as to the origin, sponsorship or approval of the goods in question is highly relevant to an inquiry concerning the similarity of the two dresses. When prominently displayed it can go far towards eliminating any possible confusion” *Id.*

Having reviewed the materials, including photographs of plaintiffs’ and defendants’ products, it is not apparent that a marking placed on the top of a barrel of a revolver necessarily constitutes the sort of prominent placement necessary to dispel confusion associated with similarities in the overall appearance of the revolvers. It cannot be said that the name etched on the top of the barrel of a revolver constitutes the “presence of . . . prominent and distinctive labels alone negat[ing] any possibility of a likelihood of confusion,” *Nora Beverages, Inc.*, 269 F.3d at 123. Other features, including, *inter alia*, the product shape and colt emblems on the handle, raise genuine issues of material fact as to likelihood of product confusion and preclude summary judgment.

Defendants also contest plaintiffs’ affidavit indicating that labels placed on boxes in which defendants’ revolvers are placed do not dispel confusion associated with the product as the boxes are used only after the revolvers are purchased and the revolvers are otherwise displayed without boxes. Notwithstanding defendants’ characterization of the affidavit as insignificant, the affidavit attesting to the manner in which revolvers are typically displayed will not be discredited for purposes of the present ruling. As such, defendants’ packaging prominently displaying its name does not establish that such labeling resolves any associated confusion if the box provided with the revolver is provided after the sale has been consummated. Reasonable minds could therefore reach a different conclusion on the

question of consumer confusion, and the question is not properly resolved on summary judgment. *See Cadbury Beverages, Inc. v. Cott Corp.* 73 F.3d 474, 478 (2d Cir. 1996); *Best Cellars, Inc. v. Wine Made Simple, Inc.*, Civ. No. 01:11780(GEL), 2003 WL 1212815 (S.D.N.Y. Mar. 14, 2003). As such, Defendants' motion for partial summary judgment on Count One must fail.

C. Count 2: Trade Dress Dilution

Defendants argue that plaintiffs' trade dress dilution claim is foreclosed by the interaction of *Wal-Mart Stores, Inc. v. Samara Brothers, Inc.*, 529 U.S. 205, 212, 120 S. Ct. 1339, 146 L. Ed. 2d 182 (2000), providing that product design trade dress is not inherently distinctive, and *TCPIP Holding Co. v. Haar Communications Inc.*, 244 F.3d 88, 98 (2d Cir. 2001), providing that a plaintiff may not claim trade dress dilution absent proof that the mark is inherently distinctive. Plaintiffs respond that defendants improperly graft the standard for evaluating inherent distinctiveness applicable to analysis of infringement claims under 15 U.S.C. § 1125(a) onto the dilution analysis under § 1125(c).

Contrary to plaintiffs' argument that a different standard applies to determinations as to whether a mark is inherently distinctive for purposes of a claim of infringement or dilution, there is no indication in *TCPIP Holding Co.* that such is the case. Something may be characterized as inherently distinctive for purposes of trademark law if susceptible to characterization as arbitrary, fanciful or suggestive. *Abercrombie & Fitch Co. v. Hunting World, Inc.*, 537 F.2d 4, 10-11 (2d Cir. 1976). "[T]he term 'fanciful' . . . is usually applied to words invented solely for their use as trademarks. When the same legal consequences attach to a common word, *i.e.*, when it is applied in an unfamiliar way, the use is called 'arbitrary.'" *Id.* at 11 n.12. "A term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of goods." *Id.* (internal quotation marks omitted).

Although plaintiffs in response to defendants' motion argue that the characteristics of their revolver render its design inherently distinctive, such a claim is not apparent from the allegations in the complaint. Count One, incorporated into Count Two, alleges that "this revolver has developed a strong secondary meaning to purchasers worldwide. The public at large has come to come to identify the product configuration and design for Colt's Peacemaker revolver as indicating the firearm's origination with Colt." Secondary meaning is a term of art in trademark law representing an alternative means by which a trademark or trade dress may be established as distinct when not susceptible to characterization as inherently distinct. *Wal-Mart Stores, Inc.*, 529 U.S. at 211 ("a mark has acquired distinctiveness, even if it is not inherently distinctive, if it has developed secondary meaning, which occurs when, in the minds of the public, the primary significance of a [mark] is to identify the source of the product rather than the product itself" (internal quotation marks omitted)). Having claimed a trade dress based derived from secondary meaning, it may not now point out features within that trade dress it now considers inherently distinctive.⁴ See *Miller v. United States*, 67 F.R.D. 486, 491 (D.D.C. 1975) (concluding summary judgment motion would not be defeated by claim not raised in complaint).

The question thus becomes not one of fact but of law, specifically whether a trade dress not inherently distinctive may be the subject of a dilution claim. This question was answered in the negative in *TCPIP Holding Co.* "Against a background of policies that strongly disfavor marks lacking inherent distinctiveness, according them only narrow protection, we think it highly unlikely that Congress intended to extend to such marks the expanded rights conferred by the Dilution Act." *TCPIP Holding*

⁴ Plaintiffs further allege a number of factual underpinnings for the secondary meaning ascribed to its Peacemaker revolver, see Complaint ¶¶ 36-40, including its prevalence as a collector's item, its use by legendary gunfighters and its appearance in western movies.

Co., 244 F.3d at 95. This disfavor, read in conjunction with the reluctance associated with extending trademark protection to product designs, *see Yurman Design, Inc. v. PAJ, Inc.*, 262 F.3d 101, 114-15 (2d Cir. 2001), counsels against embracing plaintiffs' argument that trade dress may be more liberally characterized as inherently distinctive than would trademarks. Summary judgment is therefore granted on Count Two.

D. Count Seven: Unfair Competition

Defendants premise their motion for summary judgment on Count Seven on the granting of summary judgment on Count One, specifically arguing that if this Court were to find that there was no likelihood of confusion based on similarities in trade dress, it could not be found to have engaged in unfair competition. As summary judgment is not granted on Count One, and as defendants offer no independent analysis of the unfair competition claim that would serve as an alternative basis for granting summary judgment on Count Seven, the motion is accordingly denied as to that count.

III. CONCLUSION

For the foregoing reasons, Defendants' motions for summary judgment (Doc. Nos. 62 and 70) are **granted** as to Count Two and **denied** as to Counts One and Seven.

SO ORDERED.

Dated at New Haven, Connecticut, May ___, 2003.

Peter C. Dorsey
United States District Judge